

TO: Distribution

DATE: June 28, 1996

FROM: Market Information / Bruce Neldie *Bruce*SUBJECT: Preliminary Convenience Store Report - w/e 6/22/96

PM's share was off slightly this week (-0.1 point) to 50.2%. Marlboro's share declined -0.2 points versus week-ago to 35.3%. To some extent, performance was likely impacted by increased competitive promotional activities. Marlboro and Basic money-off incidence associated with the first partial week of implementation of the "Marlboro Unlimited and Basic Summer Special" increased (+14 points and +11 points, respectively). However, share response from this promotion is not likely to be evident until next week. The Discount Category was relatively stable this week at 26.7%.

Competitive promotional activities continued to intensify this week. RJR expanded money-off incidence on Camel and Winston (+4 points each) to 42% of c-stores each (Winston's highest level to-date) and maintained Doral's record high level of 44% of c-stores. Camel free product deals (primarily B3G3F) were up +3 points this week to 11% of c-stores. B&W recently dropped a Multibrand "Super Savings" direct mail package that contained carton and pack coupons for their major premium and branded discount products (consisting of a total of 28 coupons and a potential savings of \$55.80).

- PM's retail share declined -0.1 point this week to 50.2%, driven primarily by Marlboro.
- Marlboro's share trailed week-ago by -0.2 points to 35.3%.
  - Marlboro money-off incidence was up +14 points versus week-ago to 32% of c-stores, corresponding with initial implementation of the MUBSS program.
- PM OPB's share was essentially unchanged this week at 8.1%, with a slight B&H gain offset by losses among the other franchises. Corresponding with the scheduled completion of the PBSS program, money-off incidence on Virginia Slims, Merit and B&H declined -6 to -7 points.
- Basic's share was relatively stable this week at 4.6%, while its share of the Discount category increased +0.2 points to 17.2%.
  - Basic's money-off incidence increased +11 points to 22% c-stores this week, corresponding with initial implementation of the MUBSS program.
- The Discount category remained relatively stable versus week-ago at 26.7%. Among the major discount entries, Doral and GPC realized the largest weekly gains, up +0.1 point each. RJR PL incurred the largest loss, down -0.2 points versus week-ago to 3.8% (its lowest level since w/e 12/30/95).
- Among the competitive premium products, Newport and Camel were the only brands to post share gains versus week-ago of at least +0.05 points. Camel's share reached 6.0%, its highest weekly level since w/e 2/17/96.

Notes:

Due to the July 4th holiday schedule, the next Convenience Store report will be issued on Monday, July 8, 1996 with the All Outlets Combined report.

Marlboro free product and brand family money-off incidence data will be published on Monday, July 1, 1996.

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